



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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August 15, 2011

Ms. Susan J. Kelly
Senior Manager
Tennessee Valley Authority
400 West Summit Hill Drive
Knoxville, Tennessee 37902

Subject: EPA NEPA Review Comments on TVA's Final Environmental Impact Statement for "TVA Natural Resource Plan"; CEQ #20110220

Dear Ms. Kelly:

The U.S. Environmental Protection Agency (EPA) has reviewed the subject Tennessee Valley Authority (TVA) Final Environmental Impact Statement (FEIS) in accordance with our responsibilities under Section 102(2)(C) of the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act. It is our understanding that TVA proposes to adopt a Natural Resource Plan (NRP) to determine how the agency will manage its natural resources over the next twenty years. The NRP addresses the planning processes and Environmental Policy objectives related to Water Resources Protection and Improvement, Sustainable Land Use, and Natural Resource Management.¹

EPA has reviewed several TVA EISs over the past several years that relate to the development of the NRP. We listed several of these EISs in our comment letter on the Draft Environmental Impact Statement for the NRP. EPA appreciates TVA's utilization of the NEPA process and the coordination efforts put forth by TVA staff during the development of this NRP.

For our review of the FEIS, we have focused our review on TVA's specific responses to our comments in the DEIS (Vol. 2: App. N – Part 2). Accompanying the NRP FEIS was a separate Final NRP document. While we have concentrated on the NEPA review and comment of the FEIS, we have also provided review comments on the Final NRP where changes have been made related to our earlier comments. Our detailed comments are attached.

Overview

The NRP in combination with the Integrated Resource Plan (IRP), which EPA recently reviewed, are implementation plans for the 2008 Environmental Policy. It is our understanding that the NRP is the first plan that TVA has developed that will comprehensively guide TVA's management strategies of all natural resources that TVA oversees. As stated in the FEIS, TVA's goals of the NRP are to align TVA's stewardship

¹ NRP FEIS Vol. 1 - p. S-1

programs and plans with the 2008 TVA Environmental Policy, guide TVA's land use and resource management decisions and actions, integrate effective, efficient stewardship objectives with the goal of optimizing the public use benefits of TVA-management lands, provide clarity and transparency to the public, and lastly strike a balance between the competing and sometimes conflicting resource uses of TVA-managed lands.²

TVA has selected the Alternative D as its NEPA preferred alternative in the FEIS. Under Alternative D, TVA has identified key programs that are integral toward enhancing future implementation efforts while maintaining activities and projects that address safety and comply with TVA's mission and applicable laws, regulations, policies, and EOs. EPA supports TVA's efforts in development of the NRP. As stated in our comments on the DEIS we continue to support Alternative C, the Flagship Management option, because it would provide the most overall benefit to the environment. However, EPA understands the resource constraints of implementing Alternative C and, therefore accepts TVA's preferred Alternative D, the Blended Management approach.

With regards to our other concerns outlined in our previous letter on the DEIS, we generally accepts TVA's responses regarding our comments on the NRP document organization, near-term programs and actions, and responding to anticipated future changes due to climate change. We continue to express concerns regarding engagement of the Environmental Justice (EJ) communities that will be impacted by these types of decisions and encourage TVA to continue to improve their EJ analysis by enhancing public participation and identifying key EJ stakeholders during the NEPA process.

In conclusion, EPA continues to commend TVA for its development of a comprehensive natural resource management plan and FEIS that provides a strategic plan to guide the management of TVA's natural resources, and EPA generally concurs with TVA's preferred alternative – Alternative D - Blended Management. Since the NRP is a "living document" we recommend that TVA consider "Flagship Management" type strategies and programs when resources are available.

We appreciate the opportunity to review this FEIS and would appreciate a copy of the prospective ROD. Should you have questions regarding our comments, please contact Dan Holliman of my staff at 404/562-9531 or holliman.daniel@epa.gov.

Sincerely,



Heinz J. Mueller
Chief, NEPA Program Office
Office of Policy and Management

Enclosures: Detailed Comments

² NRP FEIS Vol. 1 - p. S-2

DETAILED COMMENTS

Consistent with Section 102(2)(c) of the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act, the U.S. Environmental Protection Agency (EPA) Region 4 appreciates the opportunity to provide scoping comments on the proposed FEIS for the referenced project. It is our understanding that TVA proposes to adopt a Natural Resource Plan (NRP) to determine how the agency will manage its natural resources over the next twenty years. The NRP addresses the planning processes and the planning processes and Environmental Policy objectives related to Water Resources Protection and Improvement, Sustainable Land Use, and Natural Resource Management. The NRP addresses biological and cultural resources management, recreation management, reservoir lands planning, and water resource management.

TVA analyzed four alternatives in the FEIS including the no-action alternative:³

- **Alternative A, the “No Action” Alternative** - TVA would continue to implement the existing stewardship programs and tools, aligning with existing policies and strategies, and would continue to apply the existing methodology when planning lands along TVA reservoirs. This alternative emphasizes regulatory and technical requirements, assessments of TVA resources and partnerships, and capital projects associated with TVA recreational facilities. TVA would manage and support stewardship activities on its lands through existing prioritization methods that consider recreational needs and public safety while meeting applicable regulations and policies.
- **Alternative B, the “Custodial Management” Alternative** - TVA would only implement specific programs that address safety and compliance with TVA’s mission, applicable laws, regulations, executive orders, and policies. As laws, regulations, policies and EOs are created or amended; implementation activities would be revised to reflect this. In those areas in which TVA would discontinue programs or projects, existing contractual agreements relating to those programs or projects would be honored. In addition, TVA would focus on transitioning the management of certain recreational facilities through contractual agreements or would close the facilities. Relative to Alternative A, this alternative would reduce TVA’s level of effort in some areas and increase it in others.
- **Alternative C, the “Flagship Management” Alternative** - TVA would explore, pilot test, and implement new strategies for enhancing stewardship programs and developed recreation facilities while emphasizing sustainable technologies. TVA’s proactive management of biological, cultural, and water resources would be greatly increased. Recreation management activities would emphasize enhancements of existing facilities while emphasizing sustainable technologies, development of trails, greenways and access areas, and repair of heavily impacted

³ Descriptions of Alternatives taken directly from FEIS – Summary Section – p. S-3

areas. This alternative takes into account the interconnectivity of the various programs and activities.

- **Alternative D, the “Blended Management” Alternative (Preferred)** - TVA identified key programs that are integral toward enhancing future implementation efforts while maintaining activities and projects that address safety and comply with TVA’s mission and applicable laws, regulations, policies, and EOs. This alternative takes into account the interconnectivity of each resource area and their supporting programs, helping to establish a foundation by which TVA may implement greater levels of programs in the future. The level of effort in many program areas would be greater than that of Alternatives A and B, and some program and activities would be implemented at the same level as Alternative C.

Responses to Comments

We generally focused our review and comments on five primary areas that we commented on in the earlier DEIS: 1) Organization of the NRP and EIS documents, 2) Identification of Near Term Programs and Actions, 3) Alternative Selection, 4) Climate Change’s Impact on Future Management Strategies, and 5) Environmental Justice. TVA provided responses for most of our comments outlined in our previous letter on the DEIS. In an effort to consolidate our responses we have chosen to focus our comments on how TVA responded to the above listed five primary areas of concern.

Organization of the NRP and EIS

TVA’s Response – Several responses relating to organization and re-structuring of the documents were offered by TVA.

EPA’s Response – EPA generally concurs with the new organization of the NRP. Reorganizing the NRP with dedicated chapters to each resource area has provided for a much clearer and concise document. In addition, based on several responses from TVA it appears that some of EPA’s recommendations with regards to improving certain tables and moving key tables (Appendix H from DEIS) were noted and have been incorporated into the FEIS. EPA believes these improvements have made the NRP and the FEIS more readable documents for the public.

Identification of Near Term Programs and Actions

TVA’s Response – Chapter 9 of the Final NRP describes how TVA intends to prioritize and implement various programs and activities.⁴

EPA’s Response – There is no Chapter 9 in the NRP. EPA reviewed the NRP and located information regarding the implementation schedule in Chapter 2 – *NRP Road Map for Success*. The addition of the discussion regarding the implementation strategy, the three phases of implementation, funding, measures for success, and risk have provided for a much clearer understanding of how TVA intends to implement the NRP. Based on our review of Chapter 2 of the Final NRP, our earlier concerns regarding identification of near term programs and actions have been satisfied.

⁴ NRP FEIS Vol. 2 – p. 120

Alternative Selection

TVA's Response – Comment noted. The selection of Alternative D was based on trade-offs between natural resource stewardship needs, potential TVA programs and activities to address these needs, and TVA's anticipated availability of funding and other resources to implement the programs and activities. Relative to TVA's historic efforts, the preferred alternative represents increased efforts in some areas and decreased efforts in others.⁵

EPA's Response – Based on review of other resource agency comments and comments from the public, there was a good amount of support for Alternative C, the Flagship Management approach. As stated in our comments on the DEIS, we continue to support Alternative C, the Flagship Management option, because it would provide the most overall benefit to the environment. EPA understands the resource constraints of implementing Alternative C and, therefore accepts TVA's preferred Alternative D, the Blended Management approach. Lastly, EPA is encouraged that TVA contemplates increased funding for several enhanced programs identified under Alternative C.

Climate Change's Impact on Future Management Strategies

TVA's Response – Final EIS Section 5.17 – Climate has been revised to better describe potential effects of climate change on the natural resources managed by TVA. TVA has also increased the level of aquatic monitoring and assessment activities in the preferred alternative, including the addition of a new Climate Change Monitoring program. These changes were made, in part, to respond to the recommendation of the Climate Change Adapting Task Force.⁶

EPA's Response - EPA has reviewed the revised section of the FEIS and concurs with TVA's revisions. EPA is particularly pleased that TVA is proposing to increase the level of monitoring and assessment activities and programs to better identify potential effects of climate change on natural resources managed by TVA. Results from monitoring and assessment activities will be a key when assessing the need to modify management strategies due to climate change. Lastly, EPA believes that the NRP should be one of the primary guides for TVA decision makers with regards to management of natural resources in relation to a changing climate. EPA encourages TVA to use the NRP when reaching out to local, state, and tribal partners to describe TVA's mission with regards to management of natural resources and how climate change may impact these management strategies.

Environmental Justice

TVA's Response – Comment noted. TVA is implementing some of the recommended actions to increase the engagement of the EJ community during its review of place- and facility-based actions.⁷

⁵ NRP FEIS Vol. 2 – p. 95-96

⁶ NRP FEIS Vol. 2 – p. 107-108

⁷ NRP FEIS Vol. 2 – p. 121

EPA's Response – EPA appreciates TVA's efforts to increase meaningful engagement of the EJ community during the implementation of the NRP. Based on our review of the FEIS it doesn't appear that TVA has provided additional information with regards to what actions are being proposed for better engagement of the EJ community. EPA is concerned that TVA's strategies for better engagement of the EJ community has not been clearly defined in the FEIS and therefore not clearly defined for the public and EJ communities reviewing this document.